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November 24, 1997

Office of the Secretary Federal Communications Commission 1919 M Street, NW, Room 234 Washington DC 20054

Re: Response to petitions for Reconsideration of Final Rule Closed Captioning and Video

Description of Video Programming

MM Docket No. 95-176

Dear Secretary Caton:

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Enclosed are an original and ten copies of Self Help for Hard of Hearing People's response to petition for Reconsideration of the Final Rule, Closed Captioning of Video Programming.

We thank the Commission for its continued interest in furthering access to telecommunication services for all Americans.

Sincerely,

Donna L. Sorkin

Executive Director

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Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of)		
)		
Response to Petitions for)	MM	Docket 95-176
Reconsideration of Final Rule)		
Closed Captioning of Video Programming)		

Comments of Self Help for Hard of Hearing People, Inc.

Self Help for Hard of Hearing People, Inc. (SHHH) wishes to respond to Outdoor Life Network, L.L.C., Speedvision Network, L.L.C. and The Golf Channel ("Networks") and others' Opposition to SHHH's Petition for Reconsideration filed in the captioned proceeding.

1. The New Network Exemption, Which, As Currently Structured, Affords Most New Networks Insufficient Relief, And Provides Many Recently-Launched Networks No Relief Whatsoever, Should Not Be Further Limited.

The Golf Channel and others have requested extension of the new network period to five years from launch and then a full eight year transition period for compliance. We believe that 13 years

for full compliance is far too long, and does not achieve the proper balance between maximizing full video accessibility through closed captioning for viewers, and the economic interests of video programmers.

The Golf Channel contends that the investment in the production and acquisition of high-quality programming and other fixed costs causes new networks to incur huge costs, and substantial losses for many years. We believe that closed captioning must be regarded as an <u>essential</u> cost to be incurred by video programmers, that will contribute to the overall quality of the programming which is aired. The cost of closed captioning, as evidenced in submissions by NCI to the FCC, is a small percentage of the overall costs of production.

For too long, many video programmers have regarded closed captioning as a variable cost that should not be incurred, or is the last cost to be considered, in creating high quality programming. This is so aptly revealed in The A&E Television Network's comments in their opening summary where they state, "a typical new network takes almost five years to break even without the additional costs of captioning."

It is essential to note that the cost of off-line captioning quoted by one network (\$800-\$2500 per hour) is at the high end of the cost spectrum, and such costs for off-line captioning, we have

been informed, have declined substantially since the Report and Order.

There are ways to keep the cost of closed captioning reasonable depending on the method used. Closed captioning of new programming at 450 hours per quarter, the first required benchmark starting January 1, 2000, could cost, captioning industry sources tell us, \$360,000 in today's dollars, compared to the over \$100 million cited as the start up cost for a new network.

2. The Commission Should Not Advance The Initial Benchmark For Captioning By One Full Year, As Proposed By SHHH.

SHHH still urges a progressive implementation of closed captioning of new nonexempt programming.

The Networks have known since 1996 that closed captioning would be required by networks to maximize video accessibility for viewers, and apparently did not implement a plan to provide for closed captioning or this contingency. Some of the networks seeking further relief through their comments, will have been in existence for five years before they must begin to provide closed captioning according to the established benchmarks, and we believe this is sufficient time for their network to comply with the initial benchmarks.

Furthermore, new networks which are formed after January 1, 1998 will have four years to plan and budget for implementing closed captioning. We believe this is sufficient time for new networks to plan for compliance with the closed captioning benchmark requirements, as currently structured.

We agree with the Golf Channel that captioning hundreds of hours of programming cannot be achieved "instantly, by throwing a switch". However, we do not believe that two years is needed to get captioning in place. One year, as we are suggesting, is more than enough time. When a new network decides to provide captioning they can put out an RFP for a bid on captioning work, get back bids, make a decision to caption and allow a vendor to begin captioning within 30 to 60 days. Captioning industry sources tell us that this is commonplace in the market. The two-year period requested is too long and is an unnecessary deferral. The networks knew that they had this captioning requirement and should have planned for this in their budgets. One year is sufficient time to determine the budget, go through the bidding process and put in place a process for a systematic increase in captioning.

The Game Show network, requested to begin their exemption from the enactment date of the closed captioning regulations. In fact, the Game Show Network was launched December 1, 1994, so its exemption would end December 1, 1998. The Game Show Network would have until December 31, 1999 before providing captioning at the

level of 450 hours each quarter for new programming. The Game Show Network will therefore have 2 years from January 1, 1998 to December 31, 1999 to prepare to provide 450 hours per quarter, the first benchmark level. This is inherently more reasonable than beginning the exemption from the enactment date of the regulation, as they had suggested, since to do so, would require them to caption 900 hours per quarter as they have noted. importantly, the Game Show Network knew, in 1996, that closed captioning would be required by networks to maximize video accessibility for viewers, and apparently did not implement a plan to provide for closed captioning. In effect, their network will have been in existence for 5 years before they must begin to provide closed captioning according to the established benchmarks, and we believe this is sufficient time for their network to comply with the initial benchmarks.

We strongly disagree that a 20 million subscriber base should be the basis for exemption from closed captioning requirements for cable networks. The FCC has recognized there are regional networks, for example, that are profitable and would be able to afford closed captioning. If a subscriber test were the basis for exemption then these regional networks would be able to avoid compliance with the closed captioning requirements.

We urge the Commission to retain the new network exemption based on launch date. In addition, we strongly urge the Commission to require some level of captioning for established networks during the first two years of the transition period, computed from the effective date of the regulations, January 1, 1998.

Once again, SHHH thanks the Commission for leading the efforts to ensure television is accessible to hard of hearing and deaf viewers.

Respectfully submitted,

Donna Sorkin

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